

Office of the City Manager

Debra Figone, City Manager

M I S S I O N

Provide strategic leadership that supports the Mayor and the City Council and motivates and challenges the organization to deliver high quality services that meet the community's needs

City Service Area

Strategic Support

Core Services

Analyze, Develop, and Recommend Public Policy

Provide professional expertise and support to the City Council in the formulation, interpretation, and application of public policy

Lead and Advance the Organization

Advance organizational vision, determine accountability, set organizational goals, and build organizational capacity

Manage and Coordinate City-Wide Service Delivery

Provide strategic direction and management for City-wide operations and service delivery

Strategic Support: Clerical Support and Financial Management

Office of the City Manager

Department Budget Summary

	2008-2009 Actual 1	2009-2010 Adopted 2	2010-2011 Forecast 3	2010-2011 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Analyze, Develop, and Recommend Public Policy	\$ 4,525,966	\$ 4,610,504	\$ 5,111,204	\$ 4,326,613	(6.2%)
Lead and Advance the Organization	1,677,488	1,454,578	1,661,297	1,584,128	8.9%
Manage and Coordinate City-Wide Service Delivery	5,546,399	4,878,665	4,994,804	4,282,391	(12.2%)
Strategic Support	143,137	551,971	532,876	389,737	(29.4%)
Total	\$ 11,892,990	\$ 11,495,718	\$ 12,300,181	\$ 10,582,869	(7.9%)
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 10,830,751	\$ 10,371,160	\$ 11,163,393	\$ 9,569,220	(7.7%)
Overtime	83,388	80,818	88,635	78,635	(2.7%)
Subtotal	\$ 10,914,139	\$ 10,451,978	\$ 11,252,028	\$ 9,647,855	(7.7%)
Non-Personal/Equipment	978,851	1,043,740	1,048,153	935,014	(10.4%)
Total	\$ 11,892,990	\$ 11,495,718	\$ 12,300,181	\$ 10,582,869	(7.9%)
Dollars by Fund					
General Fund	\$ 11,733,026	\$ 11,247,470	\$ 11,953,445	\$ 10,391,523	(7.6%)
Airport Maint & Opers	80,228	79,496	118,951	24,977	(68.6%)
Integrated Waste Mgmt	0	9,803	9,742	9,742	(0.6%)
Low/Moderate Housing	36,484	44,600	68,371	44,159	(1.0%)
Sewer Svc & Use Charge	15,284	25,039	37,068	24,532	(2.0%)
SJ/SC Treatment Plant Oper	27,968	85,635	108,950	84,282	(1.6%)
Water Utility	0	3,675	3,654	3,654	(0.6%)
Total	\$ 11,892,990	\$ 11,495,718	\$ 12,300,181	\$ 10,582,869	(7.9%)
Authorized Positions	89.00	85.69	75.75	72.75	(15.1%)

Office of the City Manager

Budget Reconciliation

(2009-2010 Adopted to 2010-2011 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2009-2010):	85.69	11,495,718	11,247,470
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Wikipanning Project (Civic Engagement)		(10,000)	(10,000)
• Strong Neighborhoods Initiative (CMO)			
- 3.0 Community Activity Worker FT	(3.00)	(221,337)	(221,337)
- 2.94 Community Activity Worker PT	(2.94)	(136,924)	(136,924)
• Strong Neighborhoods Initiative (Expanded) whose funding appeared in the City-Wide Expenses section			
- 1.0 Analyst II	(1.00)	0	0
- 2.0 Community Coordinator	(2.00)	0	0
- 1.0 Community Services Supervisor	(1.00)	0	0
One-time Prior Year Expenditures Subtotal:	(9.94)	(368,261)	(368,261)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocation:		578,612	570,758
- 1.0 Assistant to the City Manager to 1.0 Deputy Director			
• Assistant City Manager Temporary Vacancy		323,837	323,837
• Legislative Public Policy Director Temporary Vacancy		225,901	135,267
• Vacancy Rate Adjustment		53,961	53,961
• Music licensing fee contract increase and transfer from city-wide appropriation City Outreach and Education Efforts		14,413	14,413
• Changes in Professional Development Program costs		(24,000)	(24,000)
Technical Adjustments Subtotal:	0.00	1,172,724	1,074,236
2010-2011 Forecast Base Budget:	75.75	12,300,181	11,953,445
Budget Proposals Approved			
1. City Manager's Office Employee Total Compensation Reduction		(364,545)	(364,545)
2. Strong Neighborhoods Initiative Program	(2.00)	(333,639)	(333,639)
3. City Manager's Office Management and Professional Employees Total Compensation Reduction		(330,717)	(329,872)
4. Senior Executive Manager Temporary Vacancy		(301,109)	(240,646)
5. Legislative Public Policy Director	(1.00)	(225,902)	(135,268)
6. Video/Multimedia Service Delivery Model Change	(2.00)	(181,330)	(181,330)
7. Domestic Violence Prevention Program Funding Reallocation		(63,677)	(63,677)
8. Intergovernmental Relations Administrative Support Staffing	(0.50)	(49,378)	(45,930)
9. City Manager's Office Non-Personal/Equipment Funding		(40,000)	(40,000)
10. City Manager's Office Administrative Support Staffing	(0.50)	(38,352)	(38,352)
11. City Manager's Budget Office Overtime Funding		(10,000)	(10,000)

Office of the City Manager

Budget Reconciliation (Cont'd.) **(2009-2010 Adopted to 2010-2011 Adopted)**

	Positions	All Funds (\$)	General Fund (\$)
<hr/> Budget Proposals Approved (Cont'd.) <hr/>			
12. SJRA Budget Reduction - Strong Neighborhoods Initiative Program Staffing		0	0
13. Strong Neighborhoods Initiative Staffing Restoration	3.00	221,337	221,337
Total Budget Proposals Approved	(3.00)	(1,717,312)	(1,561,922)
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2010-2011 Adopted Budget Total	72.75	10,582,869	10,391,523
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Office of the City Manager

Budget Changes By Department

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. City Manager's Office Employee Total Compensation Reduction		(364,545)	(364,545)

Strategic Support CSA

Analyze, Develop, and Recommend Public Policy

Lead and Advance the Organization

Manage and Coordinate City-Wide Service Delivery

As a result of compensation reductions for various bargaining groups as approved by the City Council on June 22, 2010, this action reflects a 10% reduction in total compensation costs, of which 5% is ongoing, for various bargaining units (AEA, ALP, AMSP, CAMP, IBEW, and OE3); an additional 5% total compensation reduction for Executive Management and Professional Employees and Unrepresented Employees (Units 99 and 81/82) for a total 10% reduction in compensation, of which 5% is ongoing; and a 5% reduction in ongoing total compensation costs for ABMEI. The savings generated from these actions helped address the General Fund shortfall, thereby retaining City services which would otherwise have been eliminated.

The compensation adjustment actions, which vary by employee group, include: general wage decreases, freezing of merit increases, additional employee contributions to retirement to offset the City's contributions, healthcare cost sharing changes (from 90% City/10% employee to 85% City/15% employee), healthcare plan design changes including increased co-pays, and changes in healthcare in lieu, healthcare dual coverage, and disability leave supplement. The specific actions are described in each bargaining unit's agreement with the City that can be found at: <http://www.sanjoseca.gov/employeeRelations/labor.asp>.

These compensation actions generate savings of \$8.6 million in the General Fund, offset by overhead and other reimbursement losses of \$856,000, resulting in total net General Fund savings of \$7.7 million. In the City Manager's Office, the General Fund savings totals \$364,547 as reflected in the 2010-2011 Adopted Budget. It should be noted that because of the timing of the concession agreements, the total value of the savings in all other funds is not yet available. Compensation savings generated for other funds will be brought forward as part of the 2009-2010 Annual Report, to be released on September 30, 2010. (Ongoing General Fund savings: \$182,273)

Performance Results: N/A

Office of the City Manager

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
2. Strong Neighborhoods Initiative Program	(2.00)	(333,639)	(333,639)

Strategic Support CSA

*Manage and Coordinate City-Wide Service Delivery
Strategic Support*

This action eliminates three filled positions (3.0 Community Coordinators), extends one limit-dated position (1.0 Analyst I) for two years, and reduces the associated non-personal/equipment funding that supports the Strong Neighborhoods Initiative (SNI) Program. The approved changes will bring staffing levels into alignment with the updated SNI Business Plan, which realigns resources to meet the most pressing needs in neighborhoods. This reduced staffing level will, however, reduce the overall support available to both the Neighborhood Development Center (NDC), which provides the community with access to tools and resources to assist new and established neighborhood groups and leaders with their organizing efforts, and the 19 Neighborhood Action Coalitions (NACs). The Analyst position will be extended for two years to continue to provide administrative and fiscal support for the program, and will be funded by the Neighborhood Investment Fund Reserve. (Ongoing savings: \$370,383)

Performance Results:

Customer Satisfaction The staffing reduction will impact the NDC as a stand alone function and reduce the amount of organizing support for the 19 NACs. However, these reductions will be partially offset by the adoption of the SNI Two-Year Business Plan which will refocus remaining staff on supporting neighborhood action across the City and stabilizing neighborhoods in areas that are most in need.

3. City Manager's Office Management and Professional Employees Total Compensation Reduction	(330,717)	(329,872)
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Strategic Support CSA

Analyze, Develop, and Recommend Public Policy

This action is a reduction in personnel costs equivalent to 5% of total compensation for Appointees, Executive Management and Professional Employees (Unit 99). The savings generated from these actions help address the General Fund shortfall, thereby retaining City services which may otherwise have been eliminated. The compensation adjustments include a 4.75% general wage decrease, freezing of merit increases, healthcare cost sharing changes (from 90% City/10% employee to 85% City/15% employee), healthcare plan design changes including increased co-pays, and changes in healthcare in lieu, healthcare dual coverage, and disability leave supplement. These actions result in savings of \$1.23 million in the General Fund including overhead loss and \$2.1 million in all funds. In the City Manager's Office, savings total \$329,872 in the General Fund, \$330,717 in all funds. (Ongoing savings: \$330,717)

Performance Results: N/A

Office of the City Manager

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Senior Executive Manager Temporary Vacancy		(301,109)	(240,646)

Strategic Support CSA

Analyze, Develop, and Recommend Public Policy

Lead and Advance the Organization

Manage and Coordinate City-Wide Service Delivery

This action holds a Deputy City Manager position vacant in 2010-2011. The duties of this position include oversight of the departments within the Environmental and Utility Services CSA, the Transportation and Aviation Services CSA, and the Strategic Support CSA. This position also provides additional leadership capacity to the organization, addressing difficult and complex issues that often involve one or more departments, external agencies, and numerous stakeholders. The Deputy City Manager duties will be reassigned to the two existing Deputy City Managers positions as well as the Assistant City Manager position. While this action will maintain the current number of senior-level positions, this action will be extremely challenging given the organizational transition that will be taking place in 2010-2011. (Ongoing savings: \$0)

Performance Results:

Quality, Customer Satisfaction With this vacancy, the span of control for the Deputy City Managers and Assistant City Manager will remain at the increased levels as these positions will continue to absorb the critical tasks performed by the Deputy City Manager. The City Manager's Office will continue to have less capacity to address complex and difficult issues and the City Manager will have less support overseeing the day-to-day operations of the City.

5. Legislative Public Policy Director	(1.00)	(225,902)	(135,268)
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Strategic Support CSA

Analyze, Develop, and Recommend Public Policy

This action eliminates the vacant Director of Intergovernmental Relations position. This position was created in 2007-2008 to add capacity to the Intergovernmental Relations function in the City Manager's Office as well as to serve as a liaison and lead for regional intergovernmental relations efforts. The duties of this position were to include managing the City's external relationships with other governmental agencies and legislative bodies; communicating legislative activities affecting City operations and identifying potential impact on City operations; advising City staff on various legislative issues; and overseeing the City's State and federal lobbyists to secure State and federal funds, grant funds, and legislative support for priority City projects as well as limiting exposure to potential actions at the State and federal level that would adversely affect the City. With the elimination of this position, the Administration will not be able to provide the more in-depth focus on legislative issues and advocacy. (Ongoing savings: \$226,617)

Performance Results:

Quality, Cost Current Intergovernmental Relations activities, which have focused primarily on monitoring the State Budget and the impacts to the City, will continue. However, the more in-depth focus on regional and federal issues will be impacted, which will limit the City Manager's ability to be proactive and strategic in the area of legislative support and to provide leadership to staff on legislative topics. In addition, there will be more reliance placed on the Regional Influence Team for legislative support.

Office of the City Manager

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Video/Multimedia Service Delivery Model Change	(2.00)	(181,330)	(181,330)

Strategic Support CSA

Manage and Coordinate City-Wide Service Delivery

This action eliminates two filled positions (2.0 Video/Multimedia Producers), reallocates funding equivalent to 0.50 of a Video/Multimedia Producer position to an existing city-wide allocation for Government Access – Capital Expenditures, and provides funding for contractual services. With this action, in-house capacity in the City's video/multimedia unit, which programs *Channel 26 – Civic Center Television*, will be significantly reduced. Continuing coverage of City Council, Council Committee, and other public meetings will be accomplished through contracted services. (Ongoing savings: \$204,489)

Performance Results:

Quality, Customer Satisfaction The ability to produce additional public service programming will be severely curtailed and capacity to produce special videos will be eliminated absent funding from the requestor to cover the cost of contractual services.

7. Domestic Violence Prevention Program Funding Reallocation	(63,677)	(63,677)
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Strategic Support CSA

Manage and Coordinate City-Wide Service Delivery

This action reallocates funding equivalent to 0.50 of an Executive Analyst II position to an existing city-wide allocation for the Domestic Violence Prevention Program. Currently, 0.50 of an Executive Analyst II position is funded from this source. This action shifts the entire position cost to the City-Wide Expenses allocation. This position provides the staffing for the Domestic Violence Prevention Program, which supports activities and policy actions related to preventing and reducing violence against women and girls. With this shift, minimal ongoing funding will remain in the City-Wide Expenses allocation to fund marketing and other Domestic Violence Prevention materials. However, unexpended funds in 2009-2010 were approved to be rebudgeted to 2010-2011 as part of the Recommended Amendments to the 2010-2011 Proposed Operating and Capital Budgets (Manager's Budget Addendum #47) to fund these activities in 2010-2011. This will allow time to pursue grant funding and other fundraising opportunities to supplement the funding available for this function. (Ongoing savings: \$63,903)

Performance Results:

Cost, Customer Satisfaction This action will require staff to fundraise and/or seek grant funding opportunities to support Domestic Violence Prevention activities in the future.

Office of the City Manager

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
8. Intergovernmental Relations Administrative Support Staffing	(0.50)	(49,378)	(45,930)

Strategic Support CSA

Analyze, Develop, and Recommend Public Policy

This action converts the filled Secretary position that provides secretarial support for the City of San José's Sacramento Legislative Office from a full-time position to a part-time benefited position. With this reduction, the hours of operation of the Sacramento Office will be reduced from 40 hours per week to 20-24 hours per week. This reduction will also impact the administrative support to the City lobbyist as the Secretary position compiles and prepares bill data for a variety of intergovernmental relations (IGR) reports, finalizes matrices and reports to the City Council, and answers incoming calls to the City's IGR office in Sacramento. In addition, this position assists with answering and/or referring inquiries including those from City officials, departments, legislators and their staff, executive office, and agencies' staff; and finalizes and distributes a large volume of bill-related correspondence to the Governor and legislators, particularly for bill deadlines during the two-year legislative session. This reduction will also impact the timeliness of responses to various inquiries. (Ongoing savings: \$54,002)

Performance Results:

Quality, Cost The hours of operation for the City's Sacramento Office will be reduced to 20-24 hours per week from its current hours of operation (8 am - 5 pm, Monday through Friday). In addition, the Sacramento City lobbyist will absorb a portion of the administrative functions that support lobbying activities, impacting the time available for lobbying activities.

9. City Manager's Office Non-Personal/Equipment Funding	(40,000)	(40,000)
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Strategic Support CSA

Manage and Coordinate City-Wide Service Delivery

This action reduces the City Manager's Office's non-personal/equipment funding, primarily in contractual services and travel. With this action, reduced funding will be available for contractual services that support various contracts for special projects. Consistent with the Mayor's March Budget Message for Fiscal Year 2010-2011, this action also reduces funding for in-state and out-of-state travel to meetings and conferences. (Ongoing savings: \$40,000)

Performance Results:

Cost This action will limit the amount of funding available for contracts and limit the amount of travel to key meetings and conferences.

Office of the City Manager

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. City Manager's Office Administrative Support Staffing	(0.50)	(38,352)	(38,352)

Strategic Support CSA

*Analyze, Develop, and Recommend Public Policy
Manage and Coordinate City-Wide Service Delivery*

This action will convert two Secretary positions from full-time to part-time benefited (from 40 hours to 30-34 hours per week) on a one-time basis, reducing administrative support to the Budget Office and the Communications Division. These positions provide general support for day-to-day operations for the two offices as well as perform seasonal special projects, such as managing the posting of budget documents on the City Manager's Budget Office website, assisting in the production of budget documents, and assisting in the production of the *Inside San Jose* and *Employee News*. These two positions also provide coverage at the customer service desk on the 17th floor. The workload and impact of these position reductions will be reevaluated for 2011-2012. (Ongoing savings: \$0)

Performance Results:

Quality, Customer Satisfaction This action will reduce administrative support primarily to the Budget Office and the Communications Division.

11. City Manager's Budget Office Overtime Funding	(10,000)	(10,000)
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Strategic Support CSA

Analyze, Develop, and Recommend Public Policy

This action will reduce the overtime funding allocated to the City Manager's Budget Office. The Budget Office is responsible for preparing the City's Proposed and Adopted Capital and Operating Budgets, Annual Report, Mid-Year Budget Review, Fees and Charges Document, Five-Year Forecast, and Bi-Monthly Financial Reports. During peak times, the development of these documents typically requires the use of overtime. This reduction will result in a diminished ability to have classified staff work overtime on these reports as well as other special city-wide projects. (Ongoing savings: \$10,000)

Performance Results:

Cost, Quality This action will reduce the amount of overtime available to work on the budget during peak times and may inhibit the ability of the Budget Office to work on special projects.

Office of the City Manager

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
12. SJRA Budget Reduction – Strong Neighborhoods Initiative Program Staffing		0	0
Strategic Support CSA <i>Manage and Coordinate City-Wide Service Delivery</i>			
<p>This action shifts funding for 6.25 positions that provide services that support the San Jose Redevelopment Agency (SJRA) Downtown Core and Strong Neighborhoods Initiative (SNI) areas throughout the City. The SJRA currently reimburses the City for 11.75 positions that provide Agency-related services; however, due to financial constraints, the SJRA will reduce this support from 11.75 positions to 5.5 positions. To offset this reduction in funding, the cost for 6.25 positions will be shifted to the Neighborhood Investment Fund Reserve for a two-year period in order to implement the SNI Two-Year Business Plan model. (Ongoing savings: \$0)</p>			
Performance Results: Quality, Customer Satisfaction While the current staffing will remain funded for a two-year period, this action will reduce the funding available in the Neighborhood Investment Fund Reserve for neighborhood projects.			
13. Strong Neighborhoods Initiative Staffing Restoration	3.00	221,337	221,337
Strategic Support CSA <i>Manage and Coordinate City-Wide Service Delivery</i>			
<p>This action restores one-time funding for three Community Activity Worker positions as approved in the Mayor's June Budget Message for Fiscal Year 2010-2011 to continue to provide services that support the Strong Neighborhoods Initiative (SNI) areas throughout the City. To offset this reduction in funding, the cost for these positions will be funded by the Neighborhood Investment Fund Reserve on a one-time basis. (Ongoing costs: \$0)</p>			
Performance Results: Quality, Customer Satisfaction While the current staffing will remain funded for another year, this action will reduce the funding available in the Neighborhood Investment Fund Reserve for neighborhood projects.			
2010-2011 Adopted Budget Changes Total	(3.00)	(1,717,312)	(1,561,922)

Office of the City Manager

Departmental Position Detail

Position	2009-2010 Adopted	2010-2011 Adopted	Change
Administrative Assistant	4.00	4.00	-
Analyst I	2.00	2.00	-
Analyst II	6.00	6.00	-
Assistant Budget Director	1.00	1.00	-
Assistant City Manager	1.00	1.00	-
Assistant to the City Manager	9.00	8.00	(1.00)
Budget Director	1.00	1.00	-
City Manager	1.00	1.00	-
Community Activity Worker	4.00	4.00	-
Community Activity Worker PT	3.69	0.75	(2.94)
Community Coordinator	12.00	7.00	(5.00)
Community Services Supervisor	3.00	2.00	(1.00)
Deputy City Manager	3.00	3.00	-
Deputy Director	1.00	2.00	1.00
Development Specialist	1.00	1.00	-
Director of Intergovernmental Relations	1.00	0.00	(1.00)
Employee Relations Director	1.00	1.00	-
Executive Analyst I	2.00	2.00	-
Executive Analyst II	3.00	3.00	-
Executive Assistant	1.00	1.00	-
Legislative Research Specialist	1.00	1.00	-
Office Specialist II	1.00	1.00	-
Public Education & Community Information Manager	1.00	1.00	-
Secretary	3.00	0.00	(3.00)
Secretary PT	0.00	2.00	2.00
Secretary to the City Manager	1.00	1.00	-
Senior Executive Analyst	11.00	11.00	-
Senior Supervisor, Administration	1.00	1.00	-
Staff Technician	3.00	3.00	-
Video/Multimedia Producer	3.00	1.00	(2.00)
Total Positions	85.69	72.75	(12.94)